

# Department of Accounts

## Payroll Bulletin

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*In This Issue of  
the Payroll  
Bulletin.....*

- ✓ **VRS Hybrid Opt-in for Plan 1  
State Employees**
- ✓ **Deleting Pending File  
Transactions**

The Payroll Bulletin is published periodically to provide CIPPS agencies guidance regarding Commonwealth payroll operations. If you have any questions about the bulletin, please call Cathy McGill at (804) 371-7800 or Email at [cathy.mcgill@doa.virginia.gov](mailto:cathy.mcgill@doa.virginia.gov)

State Payroll Operations

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## VRS Hybrid Retirement Plan Opt-in for Plan 1 State Employees

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### Introduction

This payroll bulletin addresses changes made to CIPPS-Leave for VRS Plan 1 employees electing enrollment in the VRS Hybrid Retirement Plan as well as procedures for invoking the election. However the most current information provided by VRS indicates that no CIPPS-Leave agencies have any employees who have made such an election.

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### Hybrid Plan Opt-In Window

VRS introduced the Hybrid plan in a December 2013 Special Edition of Member News: “The 2012 General Assembly passed a series of pension reform initiatives, including the establishment of the VRS Hybrid Retirement Plan. The new plan applies to most members hired on or after January 1, 2014. Most current VRS members will have the opportunity to elect the Hybrid Retirement Plan during an opt-in window from January 1 through April 30, 2014.”

Per DHRM Policy 4.55, Traditional Sick Leave, effective 6/25/2014: “For employees entering the Hybrid Retirement Plan on July 1, 2014, traditional sick leave accruals shall end as of June 24, 2014, and VSDP leave (family/personal and sick leave) shall be allocated on June 25, 2014, *based on service time* as defined for current employees.

Eligible employees may elect one of two options for their traditional sick leave balances. They may:

- 1) be paid for the maximum payable amount of unused, accrued sick leave; **OR**
  - 2) retain the unused, accrued sick leave balance intact to be payable upon their separation from state service or other qualifying status change. Should this option be selected, the balance shall be banked and inaccessible for use during the remainder of the employee’s state service.”
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VRS Hybrid Retirement Plan Opt-in for Plan 1 State Employees, continued

**CIPPS-Leave Screens Updated**

Effective 7/14/14, CIPPS-Leave will be modified to accommodate those employees who have elected to bank their traditional sick leave balances. The process of sick leave banking is similar to the conversion of sick leave to Disability Credits during VSDP rollout. For this reason, the Traditional Sick Leave Bank (TSLB) will use the same field. The field on the HPHUN screen has been renamed DIS CR/TSLB to reflect its dual use.

```

> GDH 00230,00999990100 ON HPHUN
----- LEAVE BALANCES -----
COMPANY--> 00230 MPLYEE NUMBER--> 00999990100
NAME-> TRAD SICK LV TO HYBRID/VSDP CONVERSION
TYPE STATUS JANUARY 10 ----- EARNED ----- USED ----- CURRENT
BALANCE PERIOD YTD PERIOD YTD BALANCE
ANNUAL YES 210.9 14.0 .0 .0 .0 210.9
SICK NO 80.0 .0 .0 .0 .0 80.0
SICK FAM NO .0 .0 .0 .0 .0
OVERTIME 0 .0 .0 .0 .0 .0
COMP TIME YES 3.5 .0 .0 .0 .0 3.5
ON CALL NO .0 .0 .0 .0 .0
LWOP TIME .0 .0 .0 .0 .0
FAMILY PER YES 40.0 .0 .0 .0 40.0
DIS CR/TSLB 290.9 .0 .0 .0 290.9
RECOGNITION 4.0 .0 .0 .0 .0 4.0
BONUS LEAVE .0 .0 .0 .0 .0
MIL BANK LV NO .0 .0 .0 .0 .0
    
```

Unlike Disability Credits, TSLB hours cannot be used by the employee during periods of short-term disability. To accommodate this difference a new field – TSL BANK IND – has been added to the HPIUS screen. The value for TSL BANK IND is set to ‘N’ by default. Below is the HPIUS screen for an employee who converted to the Hybrid Retirement Plan from Plan 1:

```

> GUH 00230,00999990100 ON HPIUS
-----EMPLOYEE LEAVE STATUS-----
COMPANY--> 00230 EMPLOYEE NO-----> 00999990100
NAME-> TRAD SICK LV TO HYBRID/VSDP CONVERSION
ANNUAL LEAVE-----> Y YES SICK LEAVE-----> N NO
FLSA STAT-----> E EXEMPT OVERTIME LEAVE MAX--> 0 0 HOURS
COMP LEAVE STATUS--> Y YES SDP PARTICIPANT-----> Y YES
ON CALL LEAVE STAT--> N NO SDP RECIPIENT-----> N NO
PERCENT EMPLOYMENT--> 1.00 SDP EMPLOY DATE-----> 12/01/1997
PERIOD START DATE--> 01/25/2014 90-DAY LEAVE IND-----> N NO
BEGIN LEAVE DATE--> 00/00/0000 ADJUSTED EMP DATE--> 11/25/1997
END LEAVE DATE-----> 00/00/0000 PROCESS IND-----> YES
MILITARY BANK IND--> N NO TSL BANK IND -----> Y YES
    
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## VRS Hybrid Retirement Plan Opt-in for Plan 1 State Employees, continued

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### CIPPS-Leave Screens Updated (continued)

When TSL BANK IND is set to 'Y', the balance shown in the DIS CR/TSLB accumulator may not be used. CIPPS-Leave will prohibit any activity transactions using leave type DC. CIPPS-Leave will also prohibit any maintenance transactions using leave types DC and ND.

**Note:** The TSL BANK IND field should have a value of 'N' **except** for Plan 1 employees who have converted to the new Hybrid Retirement Plan.

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### Converting Sick Leave Balance to TSL Bank

**Day 1:** Prior to banking any traditional sick leave, all sick leave activity transactions (transaction type 'SP') must be entered on HMSUA in CIPPS-Leave. The activity batch should be balanced and allowed to process overnight.

**Day 2:** On the HPHUN screen verify the final sick leave balance is correct for the employee. Those are the hours which will be converted to the Traditional Sick Leave Bank. This is a 3-step process, as follows:

1. Key a maintenance transaction (HMSUM) to zero out the sick leave balance. The transaction for this is an 'NS' with a sign of 'N'.
2. On HPIUS, make the following changes:
  - a. Set VSDP PARTICIPANT to a 'Y';
  - b. Set TSL BANK IND to a 'Y';
  - c. Enter the SDP EMPLOY DATE. Format MM/01/YYYY. The system will override the day with "01" if any other day is entered. System default is 00/00/0000. Note: This date controls seniority-based yearly sick and family/personal leave allocations. The date is not necessarily the same as the Adjusted Employment Date or Agency Employment Date and may need to be computed. Partial months of employment, periods of LWOP, non-continuous service and previous service with other agencies count towards VSDP service.
3. On HMSUM, key a maintenance transaction to load the Traditional Sick Leave Bank balance. The transaction for this is an 'NT'. Balance your leave maintenance batch and allow to process overnight.

**Day 3:** Verify on HPHUN that the sick leave balances are now zero and the TSLB hours were successfully loaded from your Day 2 transactions.

If so, on HMSUM, key maintenance transactions to load VSDP Sick Leave and VSDP Family/Personal leave balances. The transaction for VSDP Sick Leave is 'NS'. The transaction for VSDP Family/Personal Leave is 'NF'.

Balance your leave maintenance batch and allow to process overnight. Verify balances on the next day.

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### Leave History in Payline

Payline has been updated to align with the changes made to CIPPS-Leave. Payline will display banked traditional sick leave hours in the same field as disability credits. As in CIPPS-Leave, the leave type label has been changed to 'Disability Cr/TSL Bank' because of this dual-use. The pop-up description has also been modified.

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## Deleting Pending File Transactions

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### **Duplicate Sequence Numbers in CIPPS**

Although it does not happen often, CIPPS may assign the same sequence number to different transactions. Occasionally, this may happen within the same pay cycle. Since most deletions are for specific employees the current process of entering the employee number, entry date, and sequence number is sufficient to identify the transaction which should be deleted. Batch balance (IBC) transactions are not employee-specific. The process for keying a deletion for IBC transactions is to enter the entry date and sequence number. Because no employee number is entered to delete IBC transactions, CIPPS will look for and delete ALL transactions having that assigned sequence number and entry date.

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### **HSBFM Best Practices**

To minimize the risk of inadvertently deleting the wrong transaction, DOA recommends the following best practices:

1. Establish internal procedures to limit who is permitted to key deletion transactions on HSBFM. Also, ensure that data entry on HSBFM is verified by another staff member.
  2. Always refer to CIPPS Pending Transactions screens H1K01, H1K02, and H1K03 to identify transactions for deletion. Report 1017 only lists transactions keyed on a specific date. If sequence numbers have been changed in CIPPS from one day to the next, this information may be incorrect.
  3. Before deleting an IBC transaction, verify that the sequence number is unique and not assigned to any other transaction. The easiest way to do this is search for the sequence number on Report 1004 EDIT.
  4. Do not use the Sequence Number 2 field. If you key Sequence Number 2 and you have a typo, you could delete an entire range accidentally. Let CIPPS automatically insert Sequence Number 1 in the Sequence Number 2 field for you. Deletions should be entered one transaction per line on HSBFM.
  5. Contact [payroll@doa.virginia.gov](mailto:payroll@doa.virginia.gov) for assistance if you find that a sequence number has been duplicated, or if you need to delete a large number of transactions.
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### **Never Remove Manual Paysets Using HSBFM**

Once a manual payset (including deduction and tax refunds) is processed, the employee masterfile has been updated. This is true even if no payrun (edit or pay) has been requested for that employee's frequency. You can see the effects of this update on the Report 1006, Change Listing. Therefore, it is imperative that those transaction lines generated by a manual payset NEVER be removed using HSBFM.

If a manual payset needs to be backed out, enter another manual payset identical to the first with the exception of the Adjustment Indicator (AI). Enter the opposite values in the AI field as originally entered. If a 'P' was used, enter an 'M'. If a '+' was used, enter a '-'. This will systematically reverse the effect of the original manual payset.

Contact [payroll@doa.virginia.gov](mailto:payroll@doa.virginia.gov) if you have questions.

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